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ANHEUSER-BUSCH, INC.

SAINT LOUIS, MISSOURI





# ANNUAL REPORT TO SHAREHOLDERS



ANHEUSER-BUSCH, INC.  
SAINT LOUIS, MISSOURI

BREWERS OF WORLD FAMOUS

**Budweiser**® and **Michelob**®

PRODUCERS OF

- |                         |                      |
|-------------------------|----------------------|
| ● BAKERS YEAST          | ● CORN SYRUP         |
| ● FROZEN EGGS           | ● CORN OIL           |
| ● MALT SYRUP            | ● STARCHES           |
| ● PHARMACEUTICAL YEAST  | ● DEXTRINES          |
| ● BREWERS DRIED GRAINS  | ● TABLE SYRUPS       |
| ● BARLEY SCREENINGS     | ● CORN GLUTEN FEED   |
| ● MALT SPROUTS          | ● CORN OIL CAKE MEAL |
| ● REFRIGERATED CABINETS |                      |



## DIRECTORS

EBERHARD ANHEUSER	L. BUSCH FAUST	PERCY J. ORTHWEIN
WILLIAM S. ANHEUSER	HORACE C. FLANIGAN	CURT H. REISINGER
AUGUST A. BUSCH, JR.	A. VON GONTARD	ETHAN A. H. SHEPLEY
DAVID R. CALHOUN, JR.	ANDREW W. JOHNSON	SAM E. WOODS
EMMET T. CARTER	H. NORRIS LOVE	ARTHUR E. WRIGHT
	*EDWARD MAGNUS	

## OFFICERS

EBERHARD ANHEUSER..Chm. of Bd.	F. H. SCHWAIGER.....Vice-President
AUGUST A. BUSCH, JR....President	EDWIN KALBFLEISH.....Comptroller
A. VON GONTARD....Vice-President	K. SIEBERT.....Secretary
R. W. UPSHAW.....Vice-President	O. L. LIVESAY.....Treasurer
L. BUSCH FAUST.....Vice-President	C. E. EHRHARDT.....Asst. Compt.
G. G. KINDERVATER..Vice-President	J. E. RITTER.....Asst. Secretary
E. T. MOBERG.....Asst. Treas.	

## EXECUTIVE COMMITTEE

EBERHARD ANHEUSER	EMMET T. CARTER	A. VON GONTARD
AUGUST A. BUSCH, JR.	L. BUSCH FAUST	H. NORRIS LOVE
DAVID R. CALHOUN, JR.		PERCY J. ORTHWEIN

## GENERAL ADMINISTRATIVE COMMITTEE

AUGUST A. BUSCH, JR.	A. VON GONTARD	EMMET T. CARTER
EBERHARD ANHEUSER	DAVID R. CALHOUN, JR.	EDWIN KALBFLEISH

## TRANSFER AGENTS

ST. LOUIS UNION TRUST COMPANY  
323 North Broadway  
St. Louis 2, Missouri

MANUFACTURERS TRUST COMPANY  
55 Broad Street  
New York 15, New York

## REGISTRARS

MISSISSIPPI VALLEY TRUST COMPANY  
225 North Broadway  
St. Louis 2, Missouri

GUARANTY TRUST COMPANY OF NEW YORK  
140 Broadway  
New York 15, New York

\*Deceased August 18, 1950





## THE PRESIDENT'S MESSAGE

TO THE SHAREHOLDERS OF  
ANHEUSER-BUSCH, INCORPORATED:

It is with pleasure that I submit your company's annual report for the year 1950 to its shareholders, among whom are numbered many of our employees. In accordance with a policy established last year, you will continue to receive interim quarterly reports with a brief message from me to keep you informed of the progress of the company.

The consolidated net income of Anheuser-Busch, Incorporated and its wholly owned subsidiary companies for the calendar year 1950 was \$13,247,712, or \$2.94 per share, versus \$14,509,752, or \$3.22 per share, in 1949.

As in the past, earnings were determined in accordance with generally accepted accounting principles approved by our accountants. Depreciation has been provided and accumulated on the basis of original cost, which amount is not adequate for replacement of facilities at current high prices.

Prudent financial policy requires the retention of a substantial portion of earnings to provide funds for the higher cost of plant replacements, expansion program, and the need to maintain a strong working capital position to finance increased business activity.

The Company was defendant in certain law suits at December 31, 1950 the ultimate outcome of which cannot be determined at this time. In the opinion of the Management, the Company's liability under such suits, if any, would not materially affect its financial condition or operations.

### OPERATIONS

The cost of doing business and income taxes continue to rise and with them break-even points . . . even the ever-increasing volume of business is inadequate to cope with rising costs. Our 1950 beer sales were 4,888,732 barrels, an increase of 8% over 1949. However, net income after taxes was \$13,247,712, a decrease of 8.7% under 1949. Even with \$16,261,651 additional sales, 1950 profit fell short of that in 1949 by \$1,262,040. Had the Federal income tax rate remained the same in 1950 as in 1949 the net income after taxes would have been about \$1,980,000 better than shown. The following brief summary of income clearly explains this condition.

	Year 1950	Year 1949	Increase Decrease
Net sales.....	\$151,565,906	\$135,304,255	\$16,261,651
Cost of doing business, including income taxes.....	138,318,194	120,794,503	17,523,691
Net income after taxes.....	13,247,712	14,509,752	1,262,040



Disposition of income before taxes for the year 1950 is compared with 1949:

	Year 1950	Year 1949	Increase Decrease
Net income before taxes.....	\$ 24,893,941	\$ 23,780,430	\$ 1,113,511
Per share.....	5.53	5.28	.25
Provision for taxes.....	11,646,229	9,270,678	2,375,551
Per share.....	2.59	2.06	.53
Net income after taxes.....	13,247,712	14,509,752	1,262,040
Per share.....	2.94	3.22	.28
Dividends paid.....	5,400,000	4,500,000	900,000
Per share.....	1.20	1.00	.20
% of earnings distributed.....	41%	31%	
Amount reinvested in business.....	7,847,712	10,009,752	2,162,040
Per share.....	1.74	2.22	.48

The net change in plant property during the year was \$13,442,267, which amount was greater than the income reinvested in the business shown above by \$5,594,555, and the funds used to finance these additions to plant property were provided out of working capital in the amount of \$5,518,912 and miscellaneous assets and deferred charges in the amount of \$75,643.

The company's treasury position (cash and government bonds) decreased \$5,522,789 during the year, as shown by statement of funds provided and disbursed:

#### Funds Provided:

Collected from customers and tenants.....	\$201,045,456
Purchase discounts, interest, claims, etc.....	523,857
Proceeds from sales of residuals.....	4,835,490
Increase in trade accounts payable.....	698,719
Proceeds from sales of property.....	292,211
Total.....	\$207,395,733

#### Funds Disbursed:

For production and distribution of products.....	\$173,318,204
For administration, research, collection of rents and employees' benefits..	5,498,791
Income taxes paid.....	9,206,229
Increase in inventories on cost basis.....	1,510,273
Demolition of property and abandonments.....	79,518
Capital expenditures (replacements and expansion).....	17,905,507
Dividends paid.....	5,400,000
	212,918,522

Decrease in Treasury Position.....\$ 5,522,789

#### EARNINGS RECORD:

Earnings and surplus adjustments before taxes for the 18 years (1933-1950) were \$204,672,000 and were distributed as follows:

	Amount	Percentage
Income taxes.....	\$ 88,154,000	43.1%
Dividends paid.....	57,372,000	28.0%
Reinvested in:		
Working Capital.....	18,778,000	28.9%
Property.....	38,482,000	
Expenses applicable to future operations ..	1,886,000	
Total.....	\$204,672,000	

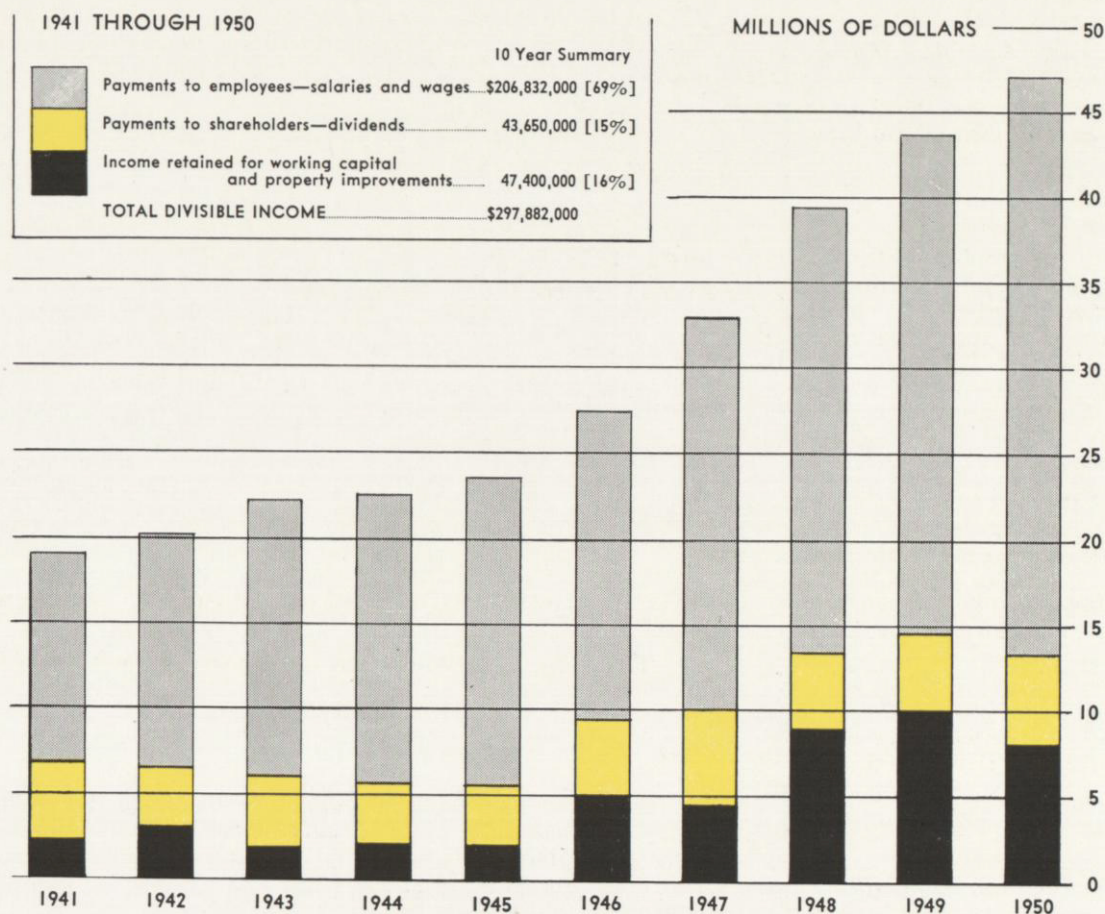


## DIVISIBLE INCOME:

Divisible income is the income remaining after payment of all costs, expenses (except salaries and wages) and income taxes. This is divided among . . .

- (1) Officers and employees in form of salaries and wages.
- (2) Shareholders in form of dividends.
- (3) Reinvested by corporation to improve working capital and for capital expenditures (sometimes referred to as job insurance or job security).

The chart below shows graphically the distribution of \$297,882,000 divisible income earned in the period from 1941 through 1950.





## SALES DOLLAR:

For each \$100 of revenue received by your company during 1950, \$3.72 was retained for additions and betterments to productive facilities. The remainder, \$96.28, was expended or disposed of as follows:

To employees for salaries and wages.....	\$15.97
For employees' group insurance, welfare benefits and retirement income.....	1.11
To farmers and industries for materials and supplies.....	34.41
To railroads and trucking companies for transportation.....	3.69
To government for taxes.....	28.49
For preservation and restoration of property (depreciation and repairs).....	2.45
For all other costs and expenses.....	7.60
To shareholders in dividends.....	2.56

## TAXES

The changes in Federal income tax rates recently enacted by Congress had the effect of increasing the provision from 37.6% in 1949 to 45.6% in 1950. The increase in Federal income rate accounts for approximately \$1,980,000 of the decrease in 1950 net income from that earned in 1949.

The present trend of taxation indicates higher rates in 1951 to support the Defense Program. Taxes which are paid by corporations are, in the final analysis, paid by the customers who are the source of corporate income. Therefore, the American people will continue to pay higher prices for commodities and service because of higher Federal, State and Municipal taxes. Although the Federal tax on beer has not been changed since the year 1944 when the rate was increased to \$8.00 per barrel, the tax on beer in some States was increased during the year 1950.

Your company's tax bill for the year 1950 (not including the many hidden taxes included in materials and services purchased, the amount of which is indeterminable) was \$60,098,735, which is equivalent to \$13.36 per share. Direct taxes for the year 1950 are compared with those for the year 1949:

	Year 1950	Year 1949
Federal:		
Beer taxes.....	\$38,103,363	\$35,995,436
Income taxes.....	11,350,230	8,949,984
Payroll taxes.....	409,232	276,963
Total.....	\$49,862,825	\$45,222,383
State and Local:		
Beer taxes.....	\$ 9,147,905	\$ 7,876,685
Income and franchise taxes.....	350,805	368,452
Property and business taxes.....	703,398	639,930
Payroll taxes.....	33,802	219,705
Total.....	\$10,235,910	\$ 9,104,772

## PROPERTY:

The year 1950 saw the completion of the company's expansion program in the brewhouse and stock cellars, and the Saint Louis plant now has a release capacity in excess of 6,000,000 barrels annually. Replacements and other changes in the bottling plant for a better balance of package production are continuing and, barring Government restrictions on the use of materials and manpower, we hope to complete these during the year 1951.

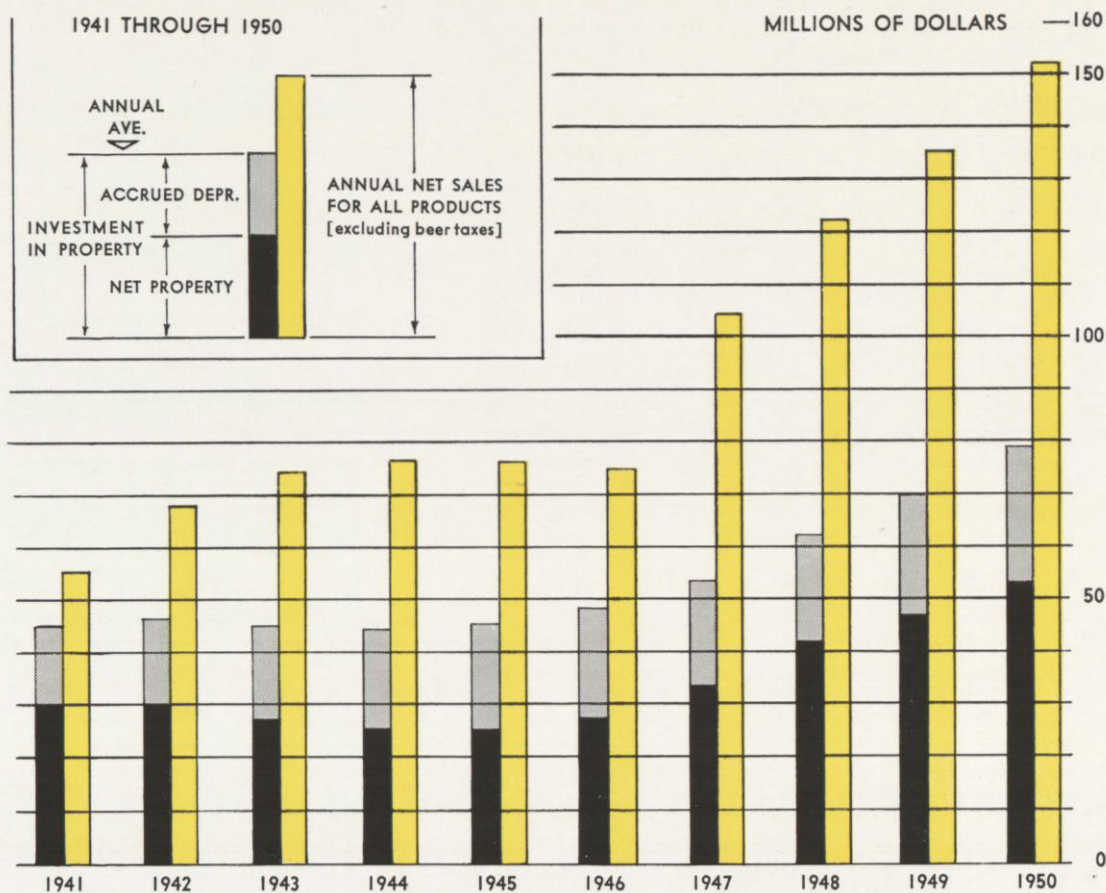


Construction of the Newark brewery is progressing satisfactorily and completion is scheduled for the summer of 1951. A reproduction of an airplane view taken on March 8, 1951 showing the progress at that date appears on page twenty-three.

Since the return of beer in 1933, the company has expended \$83,743,000 for rehabilitation, expansion and modernization, of which \$37,318,000 was provided by depreciation, and the remainder from earnings . . . the additions, by periods, were:

	.....In Thousands of Dollars.....			
	Total	Plant	Cooperage and Drums	Wood Cases
1933 thru 1939.....	\$17,539	\$13,230	\$ 4,309	
1940 and 1941.....	6,039	3,681	2,247	\$ 111
1942 thru 1945.....	8,763	5,083	1,030	2,650
1946 and 1947.....	14,833	10,200	4,633	
1948 and 1949.....	18,664	16,712	1,952	
1950.....	17,905	17,415	490	
Total.....	\$83,743	\$66,321	\$14,661	\$ 2,761

Relation of investment in property to net sales for the past 10 years is shown on chart at bottom of this page.





#### NOTES PAYABLE:

In September 1949, the company entered into an Agreement with Manufacturers Trust Company of New York City and twelve other participating banks for unsecured loans up to \$20,000,000 at an interest rate of  $2\frac{3}{4}\%$  per annum. Under the terms of such Agreement, as amended, the company has the privilege at any time prior to September 30, 1953 to borrow such amounts out of the total commitment as may be needed, meanwhile paying a standby charge of  $\frac{1}{2}$  of 1% upon the amount of the commitment not utilized by the company.

Loan is payable in eight annual installments which if the entire amount were borrowed would amount to approximately \$2,500,000 in each of the years to 1961.

The Agreement contains no dividend restrictions but the company has agreed to maintain at all times consolidated current assets in an amount not less than its consolidated indebtedness.

As of December 31, 1950 no borrowing had been made by the company under the loan agreement. However, as previously stated in my comments on page four, the company was required to use \$5,518,912 of its working capital to finance expenditures for the construction of the Newark brewery. To replenish these funds and to improve our working capital, the company has availed itself of the privileges under the loan agreement and borrowed \$5,000,000 on February 23, 1951, and an additional \$10,000,000 on March 12, 1951.

#### EMPLOYEE RELATIONS:

New contracts negotiated in 1950, and increases granted to salaried employees will add in excess of \$3,000,000 to the annual wage and salary payments in 1951.

Effective January 1, 1950, the company assumed entire cost of group insurance and welfare benefits for all employees; heretofore this cost was shared by company and employees. The retirement income plan inaugurated on November 1, 1947 remains on a contributory basis.

Benefits paid under the group insurance and welfare plan for the three policy years ending October 31, 1950 were:

	No. of Claims	Benefits Paid
Death claims.....	181	\$ 587,000
Accident and sickness.....	2,808	189,055
Medical care.....	2,026	33,971
Hospital.....	4,679	344,946
Surgical.....	3,628	173,314
Total.....	13,322	\$1,328,286

At the close of 1950 there were 215 former employees receiving an aggregate monthly income of \$13,188 under the retirement plan. Total retirement income payments to former employees since the inception of the plan, November 1, 1947, were \$400,887.

At December 31, 1950, the company had 7,777 employees. The annual salaries and wages including paid vacations were \$33,690,524 . . . retirement and welfare benefits and company's portion of payroll taxes were \$2,791,145, making a total payroll cost of \$36,481,669.

To provide jobs for these employees requires the purchase of expensive equipment and a large investment in tools (land, buildings and machines). The gross investment in plant at December 31, 1950 was \$87,555,891 which is equivalent to \$11,258 per employee.



## THE FARMER PROSPERS:

\$23,000,000 farm products purchased this year.

Corn, about 5,300,000 bushels valued at \$8,000,000. After extracting corn oil and starch, we return to the farm, as a high protein feed, about 27% of the weight of corn as gluten feed and cake meal . . . 40,000 tons in 1950.

Molasses (produced from sugar cane), about 44,000 tons valued at \$750,000.

Malting barley, about 2,350,000 bushels valued at \$5,000,000, and malt produced from malting barley about 2,400,000 bushels valued at \$4,900,000. Residuals produced from this grain are returned to the farmer as a high protein feed and are commented on later.

Rice, Anheuser-Busch is one of the few brewers using rice exclusively as an adjunct to barley malt; about 43,000 tons annually valued at \$5,200,000. In the process of cleaning and polishing rice for table use, many kernels are broken and it is these broken kernels that are known and sold as Brewers Rice to the brewers. Residuals from rice are an ingredient in brewers dried grains.

Brewery residuals returned to the farm as feed during 1950:

Brewers dried grains.....	22,600 tons
Barley screenings and No. 4 barley.....	4,100 tons
Malt sprouts.....	1,800 tons

## 1951 PLANS

It is anticipated that the Newark brewery will be in production in June and our sales policy for 1951 contemplates selling the capacity output of both St. Louis and Newark breweries during the peak season months of July and August. The Yeast-Malt-Corn Products division 1951 sales forecast likewise shows a very good volume increase over 1950. Despite restrictions on steel and copper, the prospects of the Refrigerated Cabinet Division are very encouraging, and during the present National Emergency, we will make every effort to secure such defense contracts as we can handle, both in character of work and volume.

Earnings for 1951 will undoubtedly be lower than 1950 due to higher material costs, labor rates, and taxes, but you may be assured that the officers and directors of your company will conduct the affairs of the company as economically as possible, consistent with good business practices.

## CONCLUSION

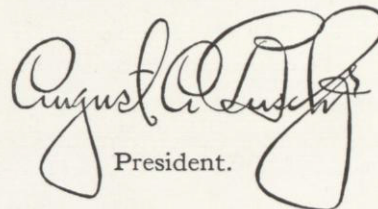
During 1950 we sustained the loss of two of our valued directors—Mr. George A. H. Mills, who for a period of 28 years also served as Secretary of the company, and Mr. Edward Magnus, who was an officer of the company and a member of our Board continuously from 1911 until his death.

Mr. Mills was succeeded as a director by Mr. Sam E. Woods, and Mr. Magnus by Mr. Andrew W. Johnson.

Your company will celebrate its 100th Anniversary in 1952. Arrangements are now under way to fittingly celebrate this important event.

On behalf of the officers and directors, I wish to express appreciation for the splendid cooperation of our employees during the past year.

Respectfully submitted,

  
President.

St. Louis, Missouri  
March 9, 1951



**ANHEUSER-BUSCH, INCORPORATED**  
Consolidated Balance Sheet, December

	... December 31 ...		Increase
ASSETS	1950	1949	Decrease
CURRENT ASSETS:			
Cash.....	\$ 6,596,747	\$ 6,054,536	\$ 542,211
United States Government Securities—at cost (in addition to those deducted from Federal income taxes: 1950, \$6,358,000; 1949, \$7,435,000).....	991,600	5,979,600	4,988,000
Accounts and notes receivable:			
Trade (less reserves: 1950, \$314,978; 1949, \$341,727) .....	7,757,430	4,786,886	2,970,544
Claims.....	567,019	485,240	81,779
Other.....	388,111	270,407	117,704
Accrued interest receivable.....	239,151	209,563	29,588
Revenue stamps.....	1,464,259	2,178,524	714,265
Inventories (valued at cost which is not in excess of market, cost being determined under the "last-in, first-out" method as to approximately 61% of the total inventory valuation at December 31, 1950—55% at December 31, 1949—and on the average cost method as to the remainder).....	18,551,602	17,655,740	895,862
Total current assets.....	\$36,555,919	\$37,620,496	\$ 1,064,577
MISCELLANEOUS NON-CURRENT ASSETS.....	\$ 375,750	\$ 386,753	\$ 11,003
PROPERTY:			
Plant and branch property—at cost (less reserve for depreciation: 1950, \$23,002,352; 1949, \$21,097,125).....	\$41,137,969	\$37,104,254	\$ 4,033,715
Construction in progress.....	13,916,183	3,681,951	10,234,232
Real estate, other than plant property—at cost (less reserve for depreciation: 1950, \$631,280; 1949, \$747,513).....	1,016,072	1,214,941	198,869
Cooperage and drums—at cost (less reserve for depreciation: 1950, \$4,415,433; 1949, \$3,301,132).....	3,436,602	4,063,413	626,811
Net property.....	\$59,506,826	\$46,064,559	\$13,442,267
DEFERRED CHARGES.....	\$ 1,959,470	\$ 2,024,110	\$ 64,640
TOTAL.....	\$98,397,965	\$86,095,918	\$12,302,047



## 31, 1950 and 1949, and Comparison

NOTE: Contractual obligations for equipment and construction amounted to \$11,090,301 at December 31, 1950, and \$2,308,492 at December 31, 1949.



# ANHEUSER-BUSCH, INCORPORATED AND SUBSIDIARY COMPANIES

## Summary of Consolidated Income For the Years Ended December 31, 1950 and 1949, and Comparison

	.. Year Ended December 31 ..		Increase
	1950	1949	Decrease
NET SALES.....	\$151,565,906	\$135,304,255	\$ 16,261,651
COST OF SALES, AND ADVERTISING, SELLING, GENERAL AND ADMINISTRATIVE, RESEARCH AND DEVELOPMENT, AND EMPLOYEES' RETIREMENT AND GROUP BENEFITS EXPENSES.	126,950,328	111,509,320	15,441,008
PROFIT FROM OPERATIONS.....	\$ 24,615,578	\$ 23,794,935	\$ 820,643
OTHER INCOME:			
Interest earned and dividends received.....	\$ 202,897	\$ 180,823	\$ 22,074
Cash discount on purchases.....	334,085	257,114	76,971
Income from rental property—net.....	161,698	168,809	7,111
Miscellaneous.....	80,513	164,714	84,201
Total.....	\$ 779,193	\$ 771,460	\$ 7,733
GROSS INCOME.....	\$ 25,394,771	\$ 24,566,395	\$ 828,376
INCOME CHARGES:			
Loss from sales or abandonment of property, etc.....	\$ 378,080	\$ 479,943	\$ 101,863
Loss on abandonment of construction projects.....	1,281	216,880	215,599
Miscellaneous.....	121,469	89,142	32,327
Total.....	\$ 500,830	\$ 785,965	\$ 285,135
NET INCOME BEFORE PROVISION FOR INCOME TAXES.....	\$ 24,893,941	\$ 23,780,430	\$ 1,113,511
PROVISION FOR INCOME TAXES.....	11,646,229	9,270,678	2,375,551
NET INCOME FOR THE YEAR.....	\$ 13,247,712	\$ 14,509,752	\$ 1,262,040
PROVISION FOR DEPRECIATION INCLUDED IN OPERATIONS....	\$ 3,872,468	\$ 3,343,994	

## Summary of Consolidated Earned Surplus for the Year Ended December 31, 1950

BALANCE, JANUARY 1, 1950.....	\$ 60,652,377
ADD—Net income for the year.....	13,247,712
Total.....	\$ 73,900,089
DEDUCT—Dividends paid in cash.....	5,400,000
BALANCE, DECEMBER 31, 1950.....	\$ 68,500,089



**HASKINS & SELLS**

CERTIFIED PUBLIC ACCOUNTANTS

BOATMEN'S BANK BUILDING  
SAINT LOUIS 2

**ACCOUNTANTS' CERTIFICATE**

**ANHEUSER-BUSCH, INCORPORATED:**

We have examined the consolidated balance sheet of Anheuser-Busch, Incorporated and its subsidiary companies as of December 31, 1950 and the related summaries of consolidated income and earned surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and summaries of consolidated income and earned surplus present fairly the financial position of the Companies at December 31, 1950 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Haskins & Sells*

February 23, 1951.



STATEMENT OF FINANCIAL CONDITION  
TEN YEAR SUMMARY FOR THE CALENDAR YEARS ENDED DECEMBER 31

ASSETS

CURRENT ASSETS:

	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941
Cash.....	\$ 6,596,747	\$ 6,054,536	\$ 6,933,935	\$ 5,070,833	\$ 6,285,154	\$ 5,185,466	\$ 4,359,480	\$ 7,381,134	\$ 6,850,361	\$ 5,260,828
U. S. Government bonds.....	991,600	5,979,600	8,023,600	8,284,600	5,953,600	4,652,567	1,023,600	929,650	627,800	
Receivables, less reserve.....	8,951,711	5,752,096	5,745,253	4,778,176	3,703,283	3,273,924	4,492,868	3,561,665	3,900,380	3,433,341
Revenue stamps and tax-paid crowns and lids.	1,464,259	2,178,524	1,161,651	960,465	1,088,306	760,352	700,894	706,474	625,948	591,513
Inventories.....	18,551,602	17,655,740	16,806,498	13,995,182	11,638,021	11,442,025	10,378,973	8,939,643	6,840,219	7,505,274
Total current assets.....	\$36,555,919	\$37,620,496	\$38,670,937	\$33,089,256	\$28,668,364	\$25,314,334	\$20,955,815	\$21,518,566	\$18,844,708	\$16,790,956

OTHER ASSETS:

Capital expenditure fund.....				\$ 2,519,496	\$ 8,813,196	\$ 8,543,302	\$ 6,679,995	\$ 3,951,831		
Miscellaneous non-current assets.....	\$ 375,750	\$ 386,753	\$ 309,440	153,494	224,578	464,573	760,346	670,530	\$ 1,035,950	\$ 587,618
Total other assets.....	\$ 375,750	\$ 386,753	\$ 309,440	\$ 2,672,990	\$ 9,037,774	\$ 9,007,875	\$ 7,440,341	\$ 4,622,361	\$ 1,035,950	\$ 587,618

PROPERTY (Depreciated value):

Real estate other than plant property.....	\$ 1,016,072	\$ 1,214,941	\$ 1,436,025	\$ 1,468,388	\$ 1,174,801	\$ 1,188,865	\$ 1,227,267	\$ 1,271,909	\$ 2,379,665	\$ 2,475,423
Plant and branch property.....	41,137,969	37,104,254	30,814,429	21,900,684	20,591,336	21,041,844	21,812,178	22,933,602	23,866,760	24,061,293
Construction in progress.....	13,916,183	3,681,951	10,570,820	9,310,339	6,136,816	3,440,212	246,130	204,241	376,073	1,120,306
Cooperage and drums.....	3,436,602	4,063,413	4,377,810	4,173,548	1,841,506	1,194,382	2,984,259	1,847,774	2,736,973	2,879,670
Net property.....	\$59,506,826	\$46,064,559	\$47,199,084	\$36,852,959	\$29,744,459	\$26,865,303	\$26,269,834	\$26,257,526	\$29,359,471	\$30,536,692

DEFERRED CHARGES.....

	\$ 1,959,470	\$ 2,024,110	\$ 1,068,881	\$ 857,064	\$ 402,190	\$ 398,145	\$ 453,433	\$ 534,347	\$ 589,081	\$ 442,258
TOTAL.....	\$98,397,965	\$86,095,918	\$87,248,342	\$73,472,269	\$67,852,787	\$61,585,657	\$55,119,423	\$52,932,800	\$49,829,210	\$48,357,524



STATEMENT OF FINANCIAL CONDITION  
TEN YEAR SUMMARY FOR THE CALENDAR YEARS ENDED DECEMBER 31

LIABILITIES

	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941
<b>CURRENT LIABILITIES:</b>										
Accounts payable and accrued expenses.....	\$ 6,003,898	\$ 5,096,825	\$ 4,156,396	\$ 4,759,819	\$ 3,895,093	\$ 3,784,477	\$ 2,158,189	\$ 1,584,014	\$ 1,523,305	\$ 1,486,388
Contractual obligations for equipment and construction.....			5,950,759	4,874,915	4,851,470	3,271,184	94,680	127,093	233,461	639,255
Dividends payable.....								675,000		
Returnable container deposits.....	116,978	86,716	64,618	392,085	430,308	424,372	739,776	650,368	89,140	102,495
Accrued income and capital stock taxes.....	12,135,000	9,695,000	8,940,000	6,642,689	5,770,000	7,555,000	9,080,000	9,360,000	10,044,700	5,929,000
Tax anticipation certificates.....	<u>6,358,000</u>	<u>7,435,000</u>	<u>3,496,000</u>	<u>5,870,000</u>	<u>5,283,000</u>	<u>6,741,759</u>	<u>8,232,000</u>	<u>8,703,200</u>	<u>9,494,132</u>	<u>4,167,532</u>
Total current liabilities.....	\$11,897,876	\$ 7,443,541	\$15,615,773	\$10,799,508	\$ 9,663,871	\$ 8,293,274	\$ 3,840,645	\$ 3,693,275	\$ 2,396,474	\$ 3,989,606
<b>NET WORTH:</b>										
Capital stock—authorized and outstanding, 4,500,000 shares of \$4 each since 1947 and 900,000 shares of \$20 each in 1946 and prior.	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000
Surplus arising from appreciation of plant property as of January 1, 1919.....			4,777,663	4,777,663	4,777,663	4,777,663	4,777,663	4,777,663	4,777,663	4,777,663
Earned surplus.....	68,500,089	60,652,377	48,854,906	39,895,098	35,411,253	30,514,720	28,501,115	26,461,862	24,655,073	21,590,255
Total.....	\$86,500,089	\$78,652,377	\$71,632,569	\$62,672,761	\$58,188,916	\$53,292,383	\$51,278,778	\$49,239,525	\$47,432,736	\$44,367,918
Per share, \$4 basis.....	19.22	17.48	15.92	16.15	12.93	11.84	11.40	10.94	10.54	9.86
<b>TOTAL.....</b>	<u>\$98,397,965</u>	<u>\$86,095,918</u>	<u>\$87,248,342</u>	<u>\$73,472,269</u>	<u>\$67,852,787</u>	<u>\$61,585,657</u>	<u>\$55,119,423</u>	<u>\$52,932,800</u>	<u>\$49,829,210</u>	<u>\$48,357,524</u>

- NOTES: 1. In accordance with a resolution of the Board of Directors, the property and related reserve for depreciation accounts have been restated on the basis of cost as of January 1, 1949, and surplus arising from appreciation of property has been eliminated. The Board also authorized a change in the accounting policy with respect to contractual obligations for equipment and construction. Heretofore, such obligations were entered into the accounts when contracts were signed but under the new policy, liabilities with respect to equipment and construction will be recorded in the same manner as other accounts payable; namely, upon receipt and approval of invoices. The effect of these changes upon the net income of the companies is not material.
2. Contractual obligations for equipment and construction amounted to \$11,090,301 at December 31, 1950, and \$2,308,492 at December 31, 1949.
3. In addition to the changes in accounting policy mentioned in Note 1, certain reclassifications were made in all balance sheets to conform with classifications used in the 1950 balance sheet.



## RECORD OF SALES, INCOME AND DIVIDENDS

Sales, income, dividends, and income reinvested in the business  
since the relegalization of beer are shown in the following table.

Year	Barrels Sold	Net Sales Beer Taxes Included	Net Sales Beer Taxes Excluded	Income Before Taxes	Income After Taxes	Dividends Paid	Income Reinvested
1933 .....	607,000	\$18,113,864	\$15,049,833	\$ 457,251	\$ 325,529	\$ 1,347,017	\$ 1,021,488
1934 .....	1,093,000	22,578,474	16,843,719	1,083,704	907,767	180,000	727,767
1935 .....	1,136,000	23,244,104	17,223,306	1,049,258	891,918	405,000	486,918
1936 .....	1,377,000	28,351,337	21,150,154	3,715,984	3,041,653	2,160,000	881,653
1937 .....	1,840,000	42,919,623	33,311,896	5,771,871	4,164,245	1,440,000	2,724,245
1938 .....	2,087,000	46,672,343	35,803,704	6,773,409	5,445,867	1,440,000	4,005,867
1939 .....	2,306,000	51,454,263	39,397,379	8,667,745	7,013,250	3,150,000	3,863,250
1940 .....	2,462,000	57,062,941	42,859,413	8,624,393	6,407,883	3,600,000	2,807,883
1941 .....	3,090,000	75,042,736	55,945,667	12,774,685	6,780,492	4,500,000	2,280,492
1942 .....	3,492,000	90,259,527	68,009,070	15,744,654	6,439,818	3,375,000	3,064,818
1943 .....	3,569,000	100,611,209	74,752,235	14,614,373	6,081,789	4,275,000	1,806,789
1944 .....	3,692,000	107,933,407	76,668,879	13,755,798	5,639,253	3,600,000	2,039,253
1945 .....	3,529,000	105,330,395	76,153,543	12,726,620	5,613,605	3,600,000	2,013,605
1946 .....	3,025,000	102,452,237	75,229,683	13,814,970	8,461,311	4,500,000	3,961,311
1947 .....	3,609,000	137,924,432	104,401,628	16,221,459	9,883,845	5,400,000	4,483,845
1948 .....	4,042,000	161,456,338	122,848,790	21,999,072	13,459,808	4,500,000	8,959,808
1949 .....	4,526,000	179,050,090	135,304,255	23,780,430	14,509,752	4,500,000	10,009,752
1950 .....	4,889,000	198,816,809	151,565,906	24,893,941	13,247,712	5,400,000	7,847,712





BUDWEISER . . . There's nothing like it . . . absolutely nothing. Budweiser lager beer is available in 12-ounce returnable bottles, 32-ounce returnable bottles, 12 and 32-ounce one-trip bottles, 12-ounce cans, and in draught.

A large variety of packages for the 12-ounce bottled and canned beer is available for customer convenience, ranging from 6-bottle or 6-can handy carryout to the conventional 24-bottle package. 32-ounce bottle is available in cartons of 12 bottles.



# Budweiser®

MICHELOB . . . the "King of Draught Beers" . . . is available in draught only.



# Michelob®



# BAKERY PRODUCTS...

A N H E U S E R -



**BUD BRAND FROZEN EGGS**—Exceptionally high quality product; sold to the baking and food industries. Added to the line in 1947; present volume makes Anheuser-Busch one of the important sources of supply.

**BUDWEISER YEAST**—First produced in St. Louis in 1926, a second plant completed in Old Bridge, New Jersey in 1931. Product enjoys a high ratio of acceptance by the baking industry in the territory east of the Rocky Mountains . . . second largest producer of bakers compressed yeast in the world.



**BUDWEISER MALT SYRUP AND DRI-MALT** — Dependable and uniform malt products; sold to baking and pharmaceutical industries . . . first produced in 1922.

**YEAST FOOD** — a bread ingredient. It conditions the flour protein and equalizes the variation of mineral content of the water used in different localities.





**A-B BRAND CORN SYRUP** — A crystal clear viscous product, sometimes known as glucose, used by the candy and table syrup industries. This was the initial product produced upon completion of our corn refining plant in 1923.

**A-B STARCHES** — Pure Food, Powdered, Pearl, Chlorinated and Thin Boiling; used extensively by the textile and paper industries, and food processors. Pearl and powdered starch was first produced in 1937, and new products were added from time to time. During 1950, gelatinized starch which has received very favorable acceptance in the trade was added to the line.

The expansion program to double productive capacity, started in 1949 was completed in 1950.

**A-B BRAND DEXTRINES** — Unique in their highly specialized field for use by adhesive, textile and paper industries. First produced in 1938. The expansion program to treble productive capacity, started in 1949, was completed in 1950.

**TABLE SYRUPS** — Bud Waffle, Bud Crystal White, Bud Golden and Delta Syrups are sold through grocery stores for home consumption throughout eight Southern states . . . packed in New Orleans, Louisiana. From a small beginning in 1935, now considered leading producer in the area served.

**CORN RESIDUALS** — Unrefined corn oil, sold to refiners for use in salad dressings and vegetable cooking oils, and gluten feed and cake meal for animal feed industry.





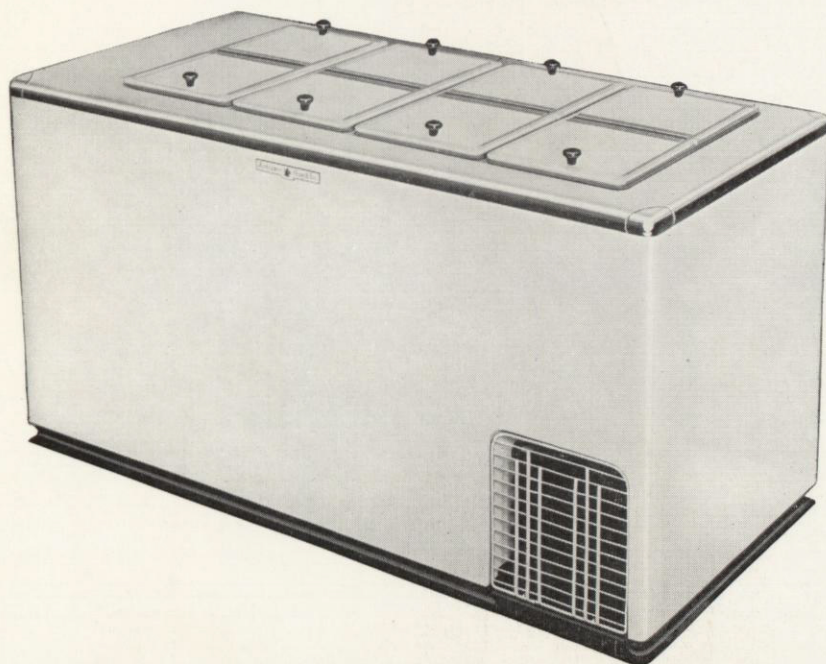
## PHARMACEUTICAL YEAST...



### PHARMACEUTICAL YEASTS—

Dried yeast and derivatives are special yeast products sold to the pharmaceutical, food and feed industries . . . first produced 20 years ago and today we are the foremost producer of dried non-fermentable yeasts and yeast extractives in the country. Dried yeast is the richest natural source of B vitamins and proteins.

## REFRIGERATED CABINETS...



### REFRIGERATED CABINETS—

Variety of models and sizes, manufactured for the ice cream industry; recently glass top models for merchandising and storing frozen foods in grocery stores and markets have been added.

This division had its beginning as a wagon shop in the days when beer was delivered by drays. When motor vehicles replaced drays, its operations were changed to truck body building, and the first refrigerated truck body was built about 1925. Between 1925 and 1930 salt and ice cabinets were produced. Since 1930, when the first mechanically refrigerated cabinet was made, production continued until the event of World War II. Throughout the war years, this division was engaged in the production of welded and wood assemblies for Army and Navy aircraft, sheet metal parts for field kitchens, and machining gun turrets. In 1946 the company reconverted to refrigerated cabinets with greatly expanded capacity.

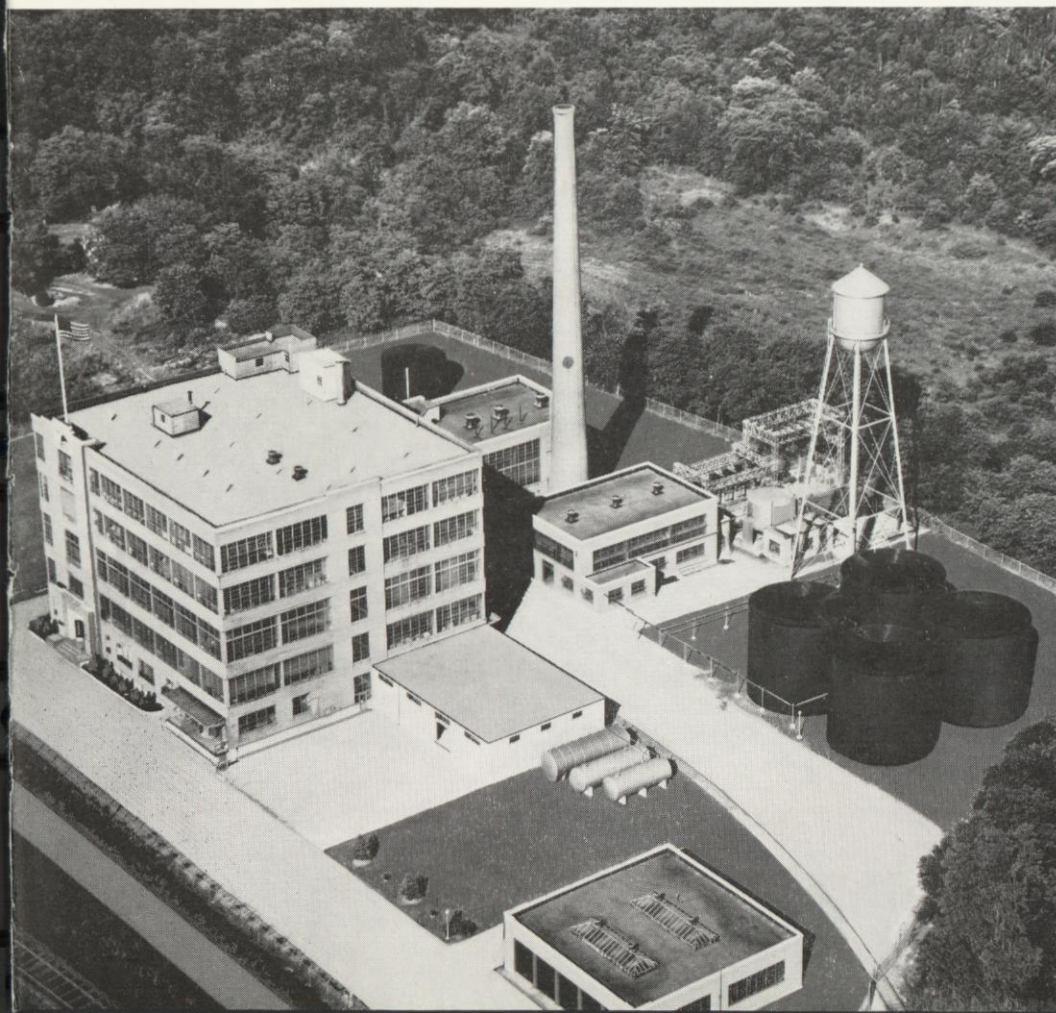
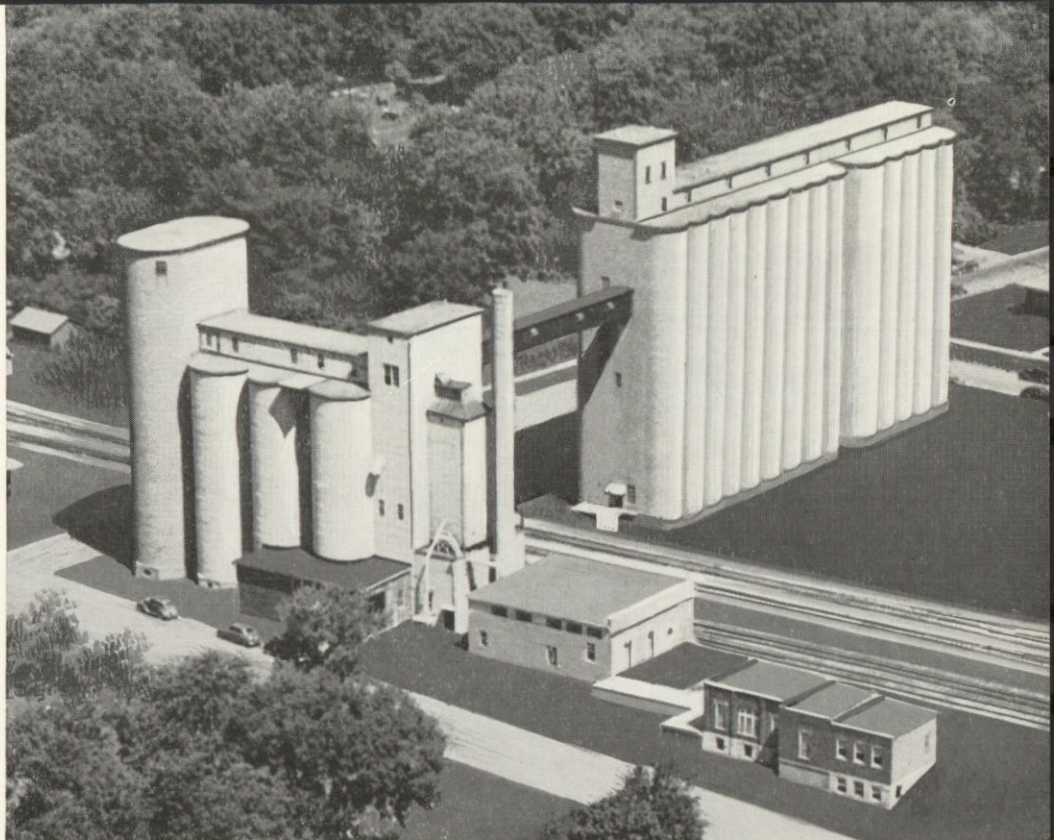
ANHEUSER-BUSCH, INC.



ST. LOUIS, MISSOURI



*Grain Elevators  
Springfield, Missouri  
Capacity 600,000 bushels*



*Yeast Plant No. 2  
Old Bridge, New Jersey*





Anheuser-Busch properties consist of 90 separate buildings covering about 138 acres, with about 5,000,000 square feet of floor space.

Budweiser and Michelob beers are produced in St. Louis and Budweiser beer will be produced at Newark this summer. Branches are maintained in New York, Boston, Baltimore, Kearney, N. J., Westbury, N. Y., Washington, D. C., Chicago, Detroit, St. Paul, St. Joseph, Mo., Houston, Denver, San Francisco and Los Angeles.

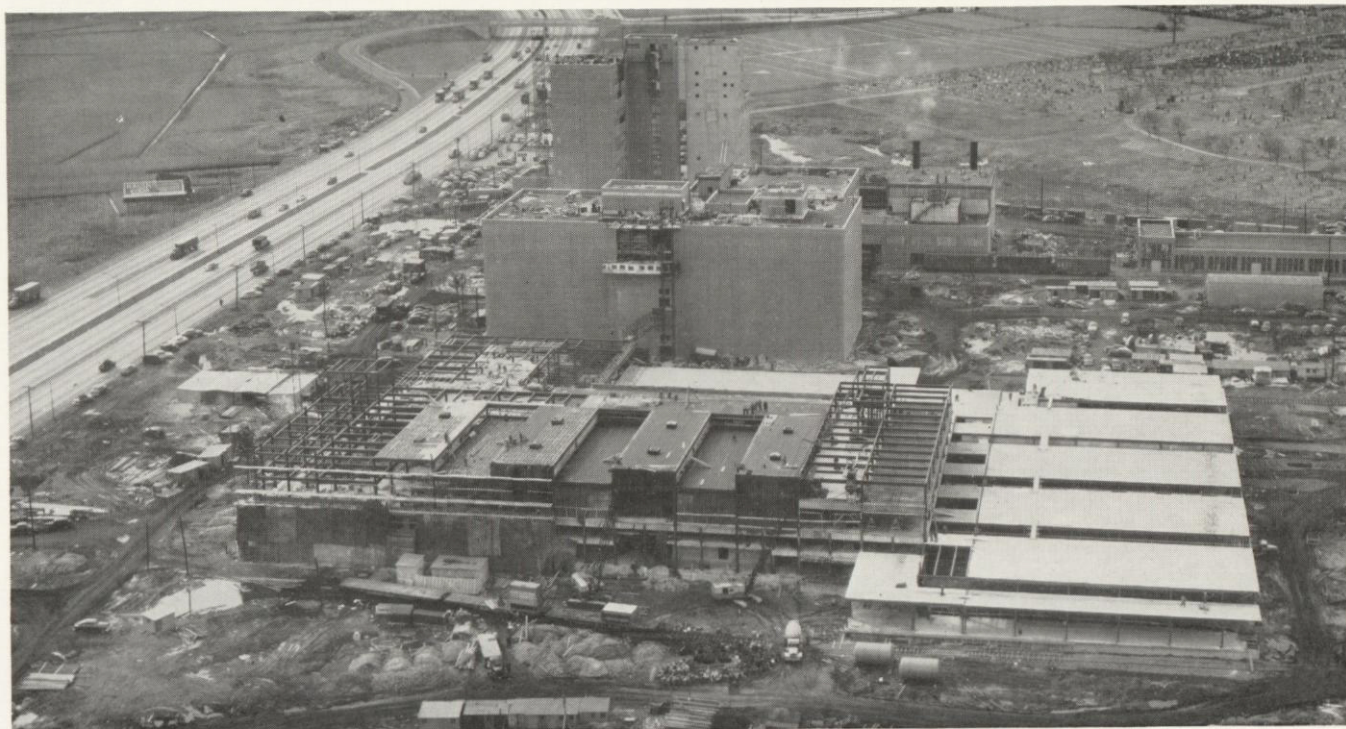
Yeast is produced at St. Louis and Old Bridge, N. J. which is about 40 miles west of New York City.

Table syrups are blended and packaged at New Orleans. All other products produced at St. Louis.

St. Louis power plant can generate electricity for the household needs of a city of 150,000 people, and the water works has a daily capacity of 6,000,000 gallons—enough to supply a city of 60,000 people.

Trackage facilities permit placement of 163 freight cars at one time and the holding tracks will accommodate an additional 122 freight cars.





Ground was broken on February 13, 1950 for the erection of our No. 2 Home of Budweiser at Newark, New Jersey. Plans for completion of this vast project contemplate shipment of beer from this brewery about June 1951.

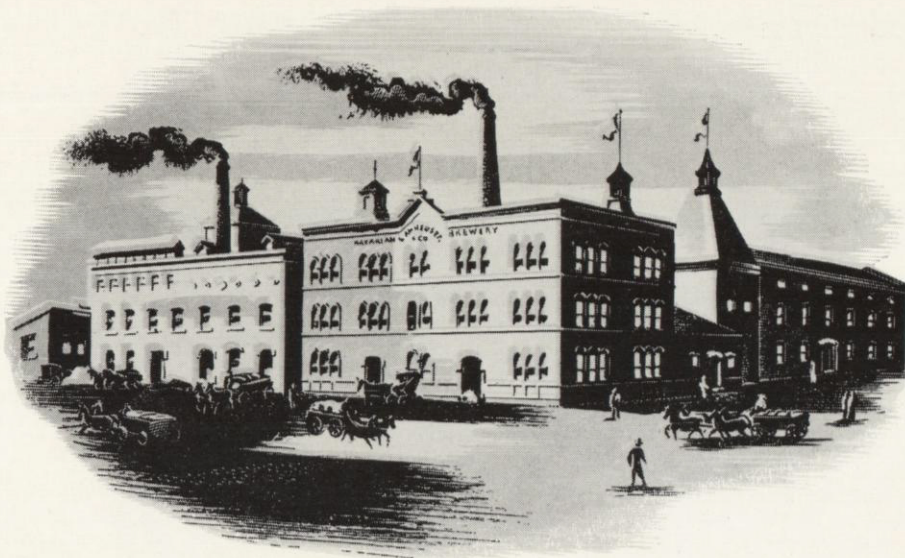
The plant will have an initial capacity of 1,000,000 barrels annually. The 51-acre tract across the highway from the Newark airport will permit erection of buildings to treble the initial output.

A pilot plant has been in operation at Newark since last fall and it is gratifying to report that the Budweiser beer produced at Newark is identical, in every aspect, to that produced at St. Louis.

The decision to build was made after exhaustive investigations of many existing breweries. In all cases a study of the plants, their physical layout, and the type of equipment, indicated a rehabilitation program of about 80% to convert the plants to Budweiser specifications . . . practically an entire reconstruction and re-equipment project. The purchase price of a brewery plus rehabilitation costs and the time required to complete conversion of an existing plant was about the same as building new.



1852









Walnut 8914

Balcan

Dagton